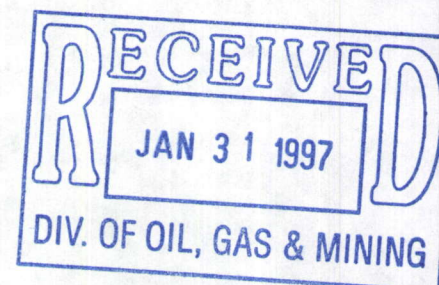


**STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING**

355 West North Temple
3 Triad center, Suite 350
Salt Lake City, Utah 84180-1203
Telephone: (801) 538-5340
Fax: (801) 359-3940



ANNUAL REPORT OF MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must file an annual operations and progress report (FORM MR-AR) with the Division.

I. General Information

1. Report Time Period: From (mo./yr.) **1/96** To (mo./yr.) **12/96**
2. DOGM File Number (Mine No.): **M/035/011**
3. Mine Name: **4th Line/Copperton Concentrator**
4. Mineral(s) Mined (or permitted to mine): Copper and associated metals.
5. Type of mine: ☒ Surface Mine or ☐ Underground Mine
6. Legal Description, (Location of Lands Affected):

Section 31T1S, R2W;
Sections 6, 7, 8, 16, 17, 21, 28, 29 & 32.....T2S, R2W;
Sections 5, 6, 7 & 18T3S, R2W;

Salt Lake Base and Meridian, Salt Lake County, Utah

7. Name of Operator or Company: Kennecott Utah Copper Corporation
8. Permanent Street Address: P. O. Box 6001
City, State, Zip: 8315 W. 3595 South
Magna, UT 84044
Phone: (801) 252-3179

9. Company Representative (or designated operator):

Name: Elaine J. Dorward-King, Ph.D.

Title: Director, Environmental Affairs

Business Address: P. O. Box 6001

City, State, Zip: Magna, UT 84044

Phone: (801) 252-3179

X Please check if any of the above information has changed since previous year.

II. Mining and Reclamation

1. Was the mine active during the past year? Yes X No
2. If active, how much ore or mineral was mined? 57.1 million short tons
3. How much additional acreage was disturbed during the past year?
approximately 125 acres
4. Briefly describe any new or additional surface disturbances that occurred during the past year. This description should include the type of work performed, and volume of material moved.

The 125 acres disturbed in 1996 were associated with the construction of the second tailings pipeline within the approved pipeline corridor. The disturbance included finishing a 50' wide flat area on the west side of the existing pipeline. In addition, slopes left at angle of repose from the original pipeline construction were laid back to a 3H to 1V slope on the west side of the existing pipeline.

5. How much acreage was reclaimed during the past year? In 1996, 1950 acres were reclaimed by slope reduction, recontouring and/or topsoil emplacement. About 2155 acres were seeded and fertilized.
6. Briefly describe the reclamation work performed during the past year. This description should include methods employed, and an evaluation of the results.

Ore Processing Facilities

No reclamation completed in 1996

Tailings Pipeline Corridor

455 acres seeded and fertilized
250 acres recontoured, slopes reduced,
fill added and topsoiled

The revegetation and reclamation on the tailings impoundment and tailings pipeline corridor continue to show excellent results. New vegetation is becoming successfully established and older established vegetation continues to grow and expand.

- The 1997 Reclamation Activities Plan will be submitted to the Division by February 28, 1997.

III. Additional Information

- Updated surface facilities maps are attached.

- The 1997 Reclamation Activities Plan will be submitted to the Division by February 28, 1997.

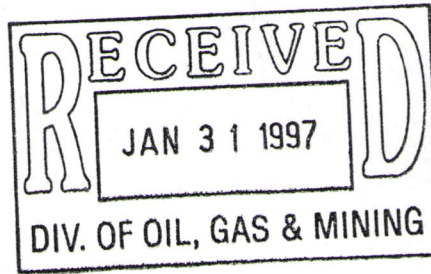
I hereby certify that the foregoing is true and correct.

Title of Operator: Director, Environmental Affairs

Date: January 29, 1997

Kennecott Utah Copper Corporation
8315 West 3595 South
P.O. Box 6001
Magna, Utah 84044-6001
(801) 252-3179
(801) 252-3125 (FAX)

Elaine J. Dorward-King, Ph.D.
Director, Environmental Affairs



Kennecott

January 29, 1997

Mr. Wayne Hedberg, Permit Supervisor
Minerals Reclamation Program
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801

Subject: Annual Reports for 1996, Kennecott Utah Copper

Dear Mr. Hedberg:

Enclosed are the completed annual report forms for the following DOGM permits:

- M/035/002 **Bingham Pit and UCD Modernization**
- M/035/011 **4th Line/Copperton Concentrator**
- M/035/015 **North Impoundment**
- M/045/004 **Pine Canyon Reclamation Project**

Also enclosed are one small-scale map covering the entire north Oquirrh Range showing each of the four permit areas and several large-scale maps detailing the surface facilities within the individual permit boundaries.

The permit boundary legal descriptions listed in the annual reports have also been changed from previous years and now are consistent with the original permit descriptions. KUC assumes that for permits covering overlapping areas, the newer permit will take precedence. Any disturbance or reclamation occurring in the overlapping area should be assigned to the newer permit.

KUC intends to inventory the cumulative disturbance and reclamation for each permit to insure they have been accounted for in a manner consistent with the assumption listed in the previous paragraph. Any discrepancies between disturbance or reclamation acreages and the correct permit boundary legal descriptions will be corrected in the 1997 annual report.

Mr. Wayne Hedberg
January 29, 1997
Page 2

For the 1996 report, however, reporting will be done in a manner consistent with previous annual reports. Thus the reclamation performed on the Tailings Impoundment will be accounted for on the 4th line/Copperton Concentrator Annual Report even though it is within the legal boundaries of the Bingham Pit permit.

In addition to the reclamation documented in the attached reports, the following work was conducted on KUC property outside of any DOGM permit boundaries:

- Kessler Canyon - 500 acres aerial seeded with native grasses, shrubs and trees
- Garfield and Surroundings - 38 acres seeded with rye grass, wild flowers and 60 deciduous trees planted
- Town of Copperton - trees and shrubs planted around the outskirts of town, and in the town park and cemetery

If you have any questions about the enclosures or about KUC's interpretation of the individual permit boundaries, please phone me at 252-3179.

Sincerely,

Elaine J. Dorward-King
Elaine J. Dorward-King, Ph.D.
Director, Environmental Affairs

EJDK\RB:bt

Enclosures

File: OPS-RR-BCM-ANNUAL RECLAMATION REPORT